

Appendix F : Flood Insurance Documentation

National Flood Insurance Program Fact Sheet

National Flood Insurance Program Website Cost Information

Flood Insurance Slide Show

Flood Insurance Rate Maps

FEMA Guide to Flood Insurance Rate Map

The National Flood Insurance Program (NFIP)

The National Flood Insurance Program is a federal plan which enables property owners in participating communities to buy affordable insurance protection against losses from flooding. Its benefits include putting you in control of managing your risks and greatly speeding your recovery after a flood. Even after floodproofing your home, you still need insurance to protect you from unexpected events like a flood rising higher than your protected level. Homeowners' policies do not cover flood damage, so you need to purchase a separate policy under the **National Flood Insurance Program (NFIP)**. NFIP covers almost all kinds of homes, including a manufactured home affixed to a permanent site and properly anchored.

Although an NFIP policy does NOT cover all kinds of damage, it does cover:

- ✓ Damage to your home and/or its contents caused by surface water flooding (up to the amount of your coverage)
- ✓ Costs for moving and storing your belongings for up to 45 days (up to the amount of the minimum deductible)
- ✓ Expenses for removing debris left by the flood

Types of coverage include:

- Building coverage. You can buy insurance which covers your home's structure (walls, floors), insulation, wall-to-wall carpeting, furnace, and other items permanently attached to its structure. ("Permanent" means anything that would not fall out if you turned the building upside down.) Up to 10 percent of your policy's value for building coverage may apply to a detached garage or carport on the same lot.

Damage to the basement foundation is a major problem, so this coverage can be very important, although it does not cover the finished portions (rugs, furniture, wallpaper, etc.) of a basement. Some private companies sell coverage for water damage caused by sewer backup or sump pump failure, which NFIP does not cover.

- Contents Coverage. This insures your personal property, including clothes washers and dryers, food freezers, and the food in them. It is available to renters as well as owners, even if your home is not insured under the NFIP. It pays some costs to move and store contents in a safe place when a flood threatens.

NFIP flood insurance is sold through private insurance agents and companies. All policies offer identical coverage and rates. A few private insurance companies sell their own flood insurance policies. Their coverage and rates vary and are different from the NFIP's. Some manufactured home insurance covers flood losses.

For information about flood insurance and the NFIP, you may

- call 1-800-427-4661 to find out if your community is participating in the NFIP
- visit FEMA's web site www.fema.gov/nfip
- call the NFIP's toll-free number, 1-888-call-flood, ext. 445, to get the name of a local agent
- call your insurance agent about coverage and rates. Ask if you are eligible for a Preferred Risk Policy, which has especially low premiums. Be sure to get clear answers about exactly what the policy includes and excludes so you can be sure you have appropriate coverage. For example, is damage from rain blown in through a broken window or door covered?

The National Flood Insurance Program (NFIP)

Some Myths and Facts About Flood Insurance and the National Flood Insurance Program

Myth: Federal disaster aid, available during and after a flood, will reimburse me for losses. Therefore, I don't need to buy flood insurance for my home and belongings.

FACT: Federal Emergency Management Agency disaster aid is available only during Presidentially declared disasters, which are less than 50 % of flooding incidents.

Myth: There is almost no chance my house will be flooded.

FACT: Everyone has some a flood risk. In the last few years, floods have hit homes in all 50 states. Floods are caused by storms, melting snow, hurricanes and water backup due to inadequate or overloaded drainage systems, dam or levee failure, etc.

Myth: Only residents of high-flood-risk zones need to insure their property.

FACT: Up to 25% of the NFIP's claims come from outside high flood-risk areas. The NFIP's Preferred Risk Policy, available at a very low rate, is designed for residential properties located in low to moderate-flood-risk zones.

Myth: I can't buy flood insurance because my home was flooded previously.

FACT: If your community is participating in the NFIP, it doesn't matter that your home has been flooded before. You may still buy flood insurance.

Myth: I can't buy flood insurance if my home is located in a high-flood-risk area.

FACT: The Program was created in 1968 to provide flood insurance to people living in areas with the greatest risk of flooding.

Myth: Flood insurance is very expensive and not worth the cost.

FACT: You could lose everything in a flood. If the flood is part of a Presidentially declared disaster, you may receive a grant. Flood insurance always reimburses you for all covered losses, whether or not a disaster is declared. Claims are handled quickly to speed your recovery. You may request a partial payment immediately so you can start recovering faster.

Myth: If a flood is predicted in the near future, it's too late for me to purchase insurance.

FACT: In a participating community, you can purchase flood insurance anytime. However, before the policy is in effect, there is a 30-day waiting period after you have applied and paid the premium. The policy will not, however, cover a loss in progress.

NFIP

NATIONAL FLOOD INSURANCE PROGRAM

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Cost Information

The average cost for an annual flood insurance policy, as of April 30, 2000, is \$353. This average was derived from the number of policies in force by the amount of written premium. The average amount of flood insurance coverage purchased, as of April 30, 2000, is \$124,089.

Depending on where you live and the coverage you choose, flood insurance can cost just a little over \$100 a year through the [Preferred Risk Policy](#).

There are a number of factors are considered in determining the premium for flood insurance coverage. They include:

- ◆ amount of coverage purchased
- ◆ location
- ◆ age of the building
- ◆ building occupancy
- ◆ design of the building
- ◆ for buildings in Special Flood Hazard Areas, elevation of the building.
- ◆ buildings eligible for special low-cost coverage at a pre-determined, reduced premium rate are single-family and 1-4 family dwellings located in zones B, C, & X. Ask your insurance agent if you're eligible for a Preferred Risk Policy.

[Cost & Coverage](#)[Cost Comparision for \\$50,000 coverage](#)[Premium Examples for a \\$100,000 home](#)[Preferred Risk Policy Premiums](#)

Updated: July 24, 2000

Federal Emergency Management Agency



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Cost and Coverage Data as of May 1, 2000

Occupancy Type	Regular Program	
	Coverage	Premium*
Single family	\$124,300	\$570
Two to four family	\$101,700	\$524
Other residential	\$85,900	\$665
Non-residential	\$218,600	\$1,514

** Premium values are based on Pre-FIRM Special Flood Hazard Area rates and includes Federal Policy Fee & Expense Constant. Premium does not include ICC premium.*

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A \$50,000 Flood Damage Repair Cost Comparison

With Flood Insurance

\$100,000 Coverage

\$50,000
Flood Damage

— \$1,000 Deductible

\$49,000 Total
Claim Benefit

— \$352 Average
Annual Premium

\$48,648
Net Benefit

\$352
Per Year



As of January 31, 2000,
the average premium for all
policies in force is \$352. Average
coverage is \$123,643. Flood insurance
premiums can be as low as \$106, based on
your flood risk and the coverage you choose.

Without Flood Insurance

\$0 Coverage

\$50,000
Flood Damage

+ \$3,732 Annual
Disaster Loan
Payment

Or

\$311 Per Month
((\$50,000 SBA Loan @
4% interest for 20 yrs)

\$3,732 Net Cost

\$3,732
Per Year

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Premium Examples For A \$100,000 Single Family Home

If you own a home in a community that participates in the National Flood Insurance Program, you are eligible for flood insurance. More than 19,000 communities participate, so its likely that your community does participate.

There are many factors that affect the price you'll pay for flood insurance. The higher your flood risk, the higher the premium. If you purchase \$100,000 in building coverage for your home, your annual premium will vary depending on the area in which you live.

- If the property is located near the ocean and therefore subject to storm surge and hurricane damage, your building is most likely in a V Zone. Premiums in V zones can be more than \$1,000 annually because your home is in the highest risk area.
- If the property is located near a river, lake or stream, your building is probably in an A zone. Premiums in A zones can be about \$595 annually because of the high potential for flooding.
- If the property is located in a low-risk area, referred to as B, C, X or A99 zones, your premium could be as low as \$306 annually using standard rates. You may also be able to get the Preferred Risk Policy. [Click here for premium rates for the PRP.](#)

Below are annual premiums for \$100,000 of flood insurance coverage for a residential single family home:

Pre or Post-FIRM	Zone	Other Rating Factors	Premium
Pre-FIRM***	Zone V1-30,VE	No Enclosure	\$845.00****
		With Enclosure	\$1,090.00
Post-FIRM***	Zone V1-30,VE	At BFE*	\$ 850.00
	Built between 1975-1981	1 Foot below BFE	\$ 2,180.00
Pre-FIRM	Zone A1-30, AE	No Basement	\$ 595.00

		With Basement	\$ 700.00
Post-FIRM	Zone A1-30, AE	At BFE	\$ 431.00
		1 Foot above BFE	\$ 301.00
		1 Foot below BFE	\$ 1,251.00
Pre-FIRM	Zone AO, AH	With Certification**	\$ 201.00
		Without Certification	\$ 585.00
Pre/Post-FIRM	Zone B, C, X, A99	No Basement	\$ 351.00
		With Basement	\$ 441.00

**BFE-Base Flood Elevation found on Flood Insurance Rate Map*

***Certification is determined by an Elevation Certificate completed by a licensed engineer, surveyor or architect*

****Pre/Post FIRM is determined by the date of the initial Flood Insurance Rate Map*

*****Premium values are based on total written premium plus Expense Constant, Federal Policy Fee and Increased Cost of Compliance premium. Effective date: May 1, 2000*

Updated: July 6, 2000

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Preferred Risk Policy Premiums

If your single family home is located in a low-risk area, which is a B, C, or X zone on the current flood insurance rate map for your area, you may be eligible for the Preferred Risk Policy. This policy covers both your home and contents with one premium, which can be as little as \$106 a year.

Preferred Risk Premiums

Building with a Basement

Coverage Amount	Contents	Premium
\$ 20,000	\$ 5,000	\$131
\$ 30,000	\$ 8,000	\$156
\$ 50,000	\$12,000	\$196
\$ 75,000	\$18,000	\$221
\$100,000	\$25,000	\$246
\$125,000	\$30,000	\$261
\$150,000	\$38,000	\$276
\$200,000	\$50,000	\$306
\$250,000	\$60,000	\$326

Building without a Basement

Coverage Amount	Contents	Premium
\$ 20,000	\$ 5,000	\$106
\$ 30,000	\$ 8,000	\$131
\$ 50,000	\$12,000	\$171
\$ 75,000	\$18,000	\$196
\$100,000	\$25,000	\$221
\$125,000	\$30,000	\$236
\$150,000	\$38,000	\$251
\$200,000	\$50,000	\$281
\$250,000	\$60,000	\$301

Building deductible \$500 and Contents deductible \$500 applied separately. Premium includes Federal Policy Fee and Increased Cost of Compliance premium. Effective date: June 1, 1998

Preferred Risk Policies (PRP) are only available for owners of 1-4 family residential buildings. Additionally should any of the following conditions apply to your home, based on its flood history regardless of ownership, a PRP cannot be written: *

- 2 loss payments, each more than \$1,000
- 3 or more loss payments, regardless of amount
- 2 Federal Disaster Relief payments, each more than \$1,000
- 3 Federal Disaster Relief payments, regardless of amount
- 1 flood insurance claim payment and 1 flood disaster relief payment (including loans and grants), each more than \$1,000

If your home is in a low-risk area, and one or more of the above conditions apply or you own a building other than a 1-4 family home that is located in a

B, C, or X zone, you can still purchase flood insurance at the low-risk Standard Rates. [Premium examples for \\$100,000 of coverage for a single-family home.](#)

*Contact your insurance agent for all the eligibility requirements for a PRP.

Updated: July 24, 2000

Federal Emergency Management Agency



Federal Emergency Management Agency (FEMA)



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Beat arthritis & other agony forever!



Sun

\$1.29/\$1.39 CANADA April 8, 1997



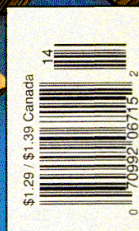
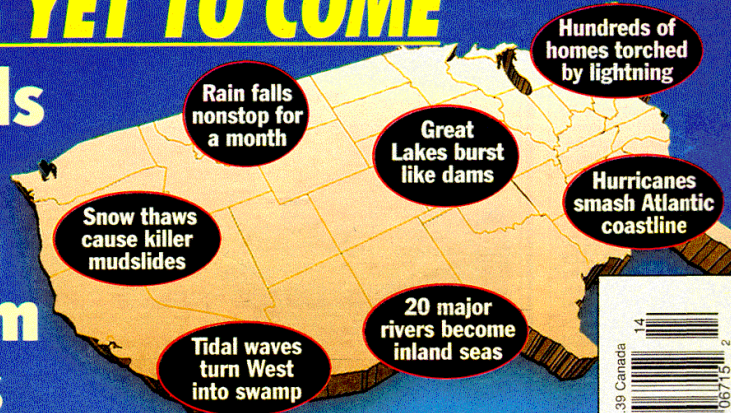
**As Bible predicts:
The Hale-Bopp
comet will trigger**

NEW FLOODS MENACE

WORST IS YET TO COME

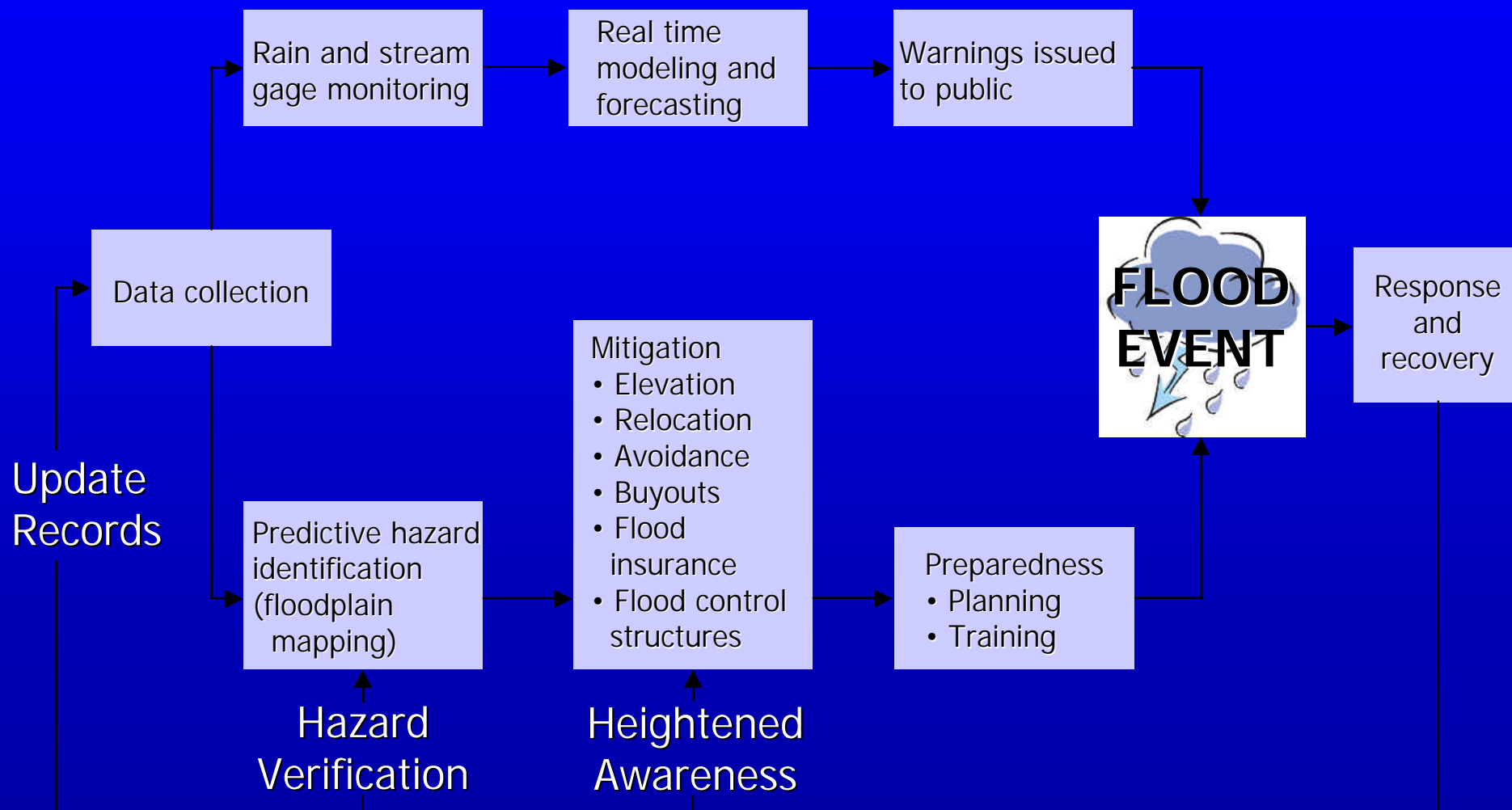


**Thousands
to die in
low-lying
areas from
century's
stormiest spring & summer**





Flood Disaster Cycle





NFIP Overview

Purposes:

- Make flood insurance available
- Identify floodplain areas and flood risk zones
- Provide framework for floodplain management regulations





Federal Emergency Management Agency (FEMA)

- Builds and supports U.S. emergency management system
- Coordinates the Federal Response Plan
- Administers the National Flood Insurance Program (NFIP)
- Coordinates preparedness, training, exercises at Federal, State, and local levels
- Administers the Public Assistance Program
- Encourages mitigation through:
 - NFIP
 - ***Project Impact***
 - Community Rating System
 - Hazard Mitigation Grant Program



FEMA's Flood Mapping Program

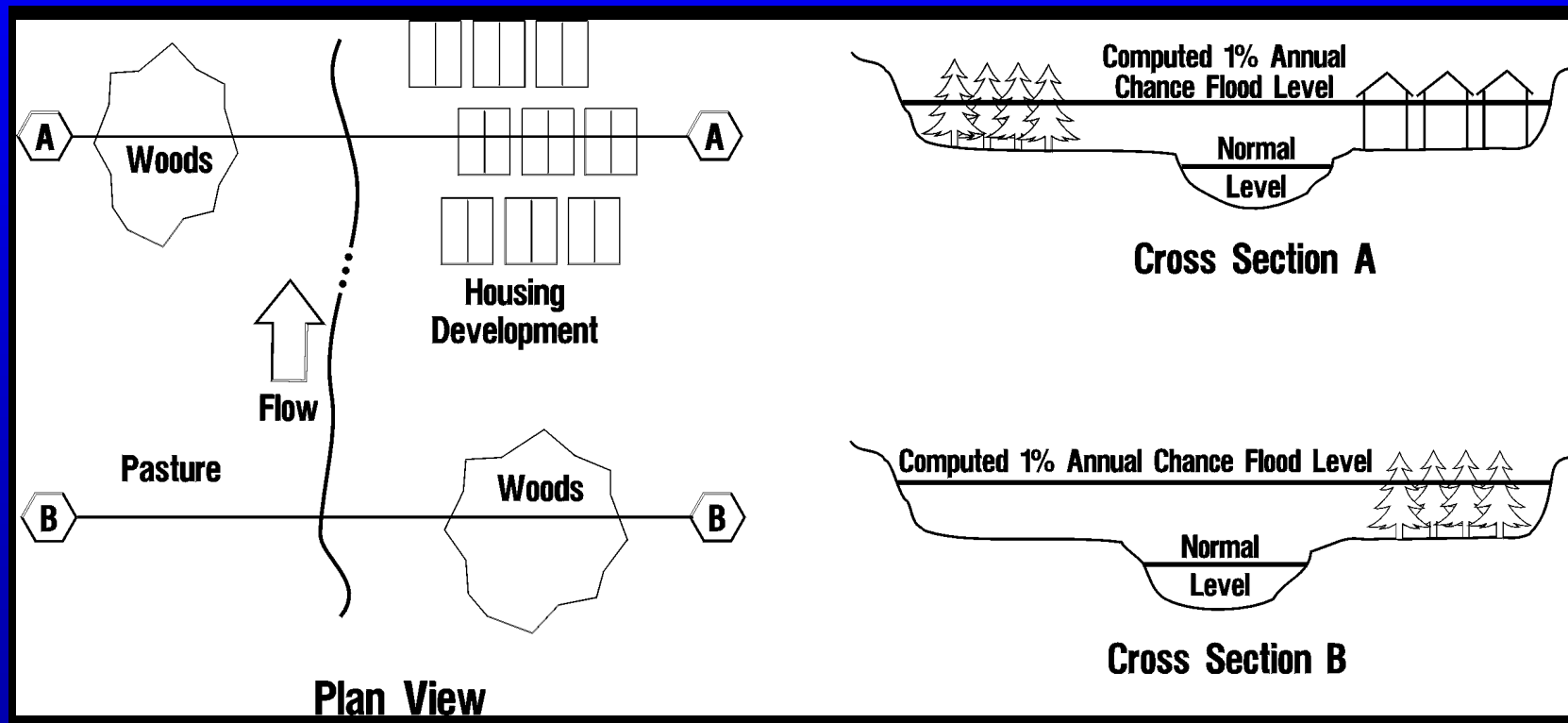
Special Flood Hazard Area (SFHA)

The area that has a 1%, or greater, chance of being inundated in any given year



Components of Flood Insurance Study

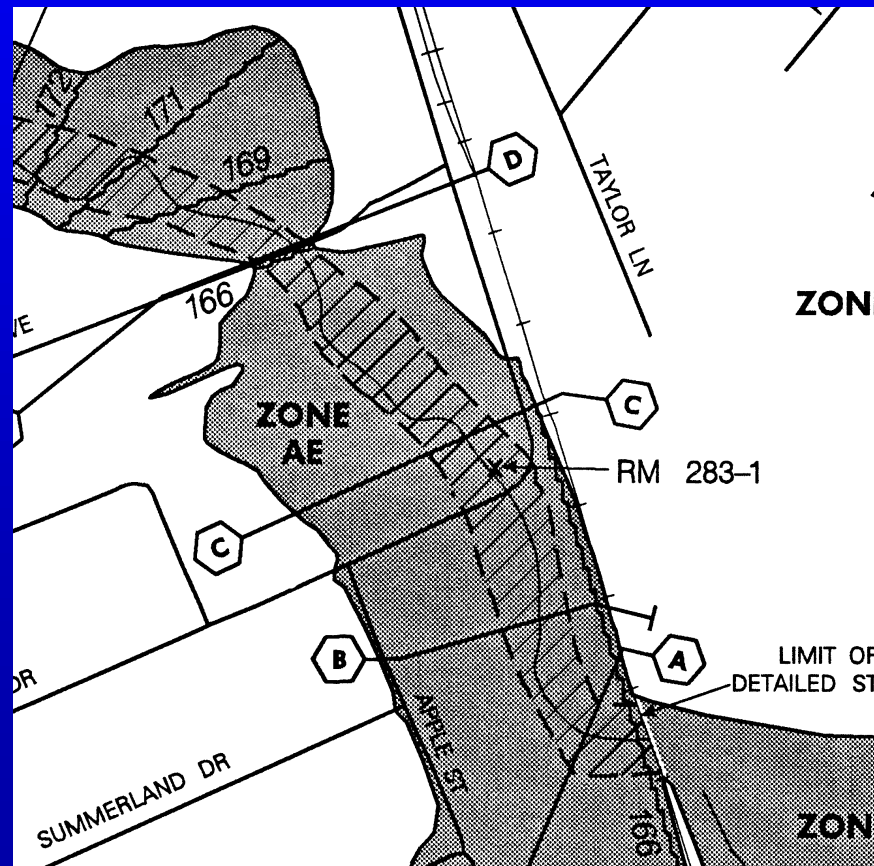
Hydraulic Analyses





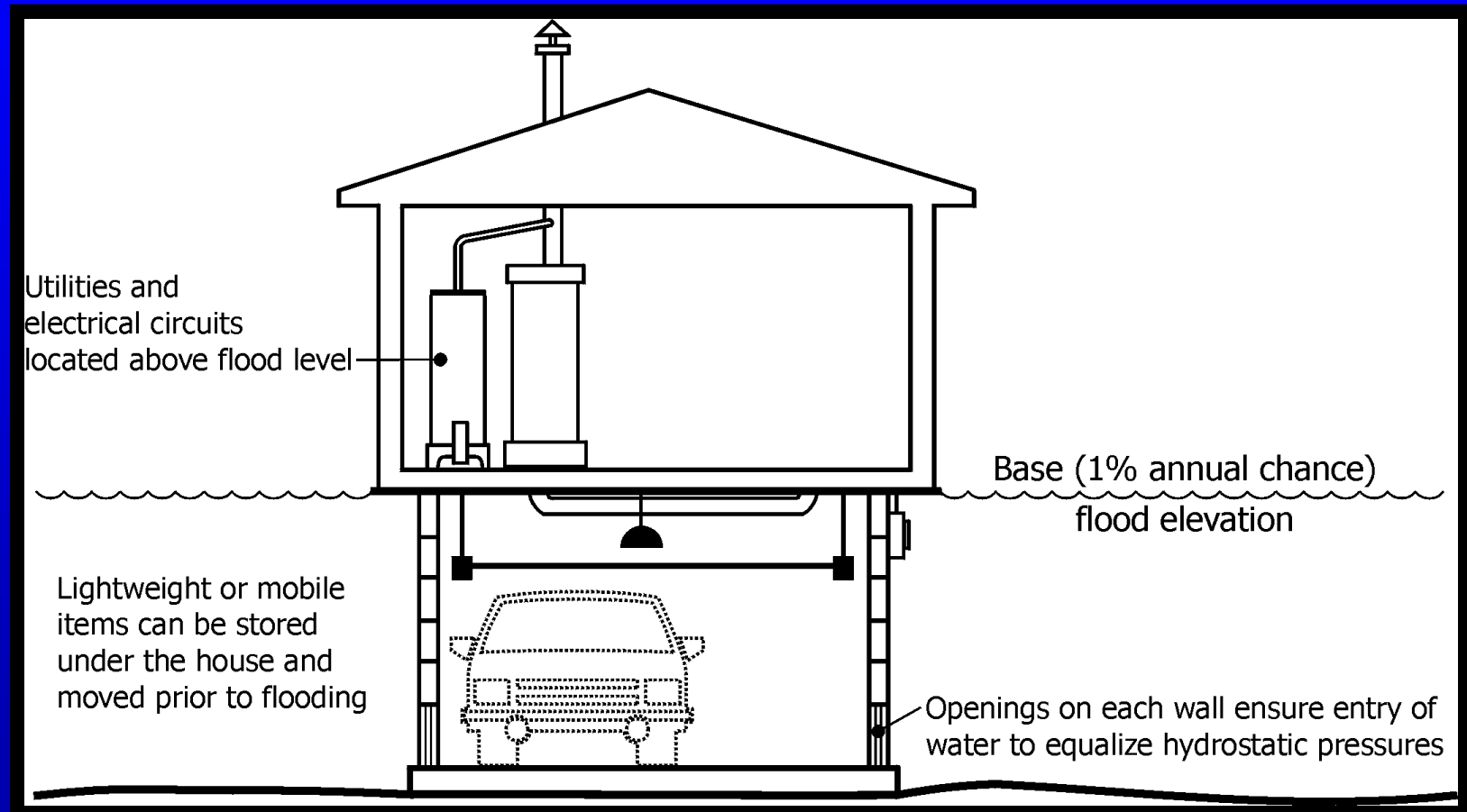
NFIP Overview

- Identify floodplain areas and flood risk zones
 - Over 100,000 map panels for approximately 20,000 communities
 - Over 100 million acres of floodplain mapped
 - Approximately 6 million acres of floodway along 40,000 stream/river miles





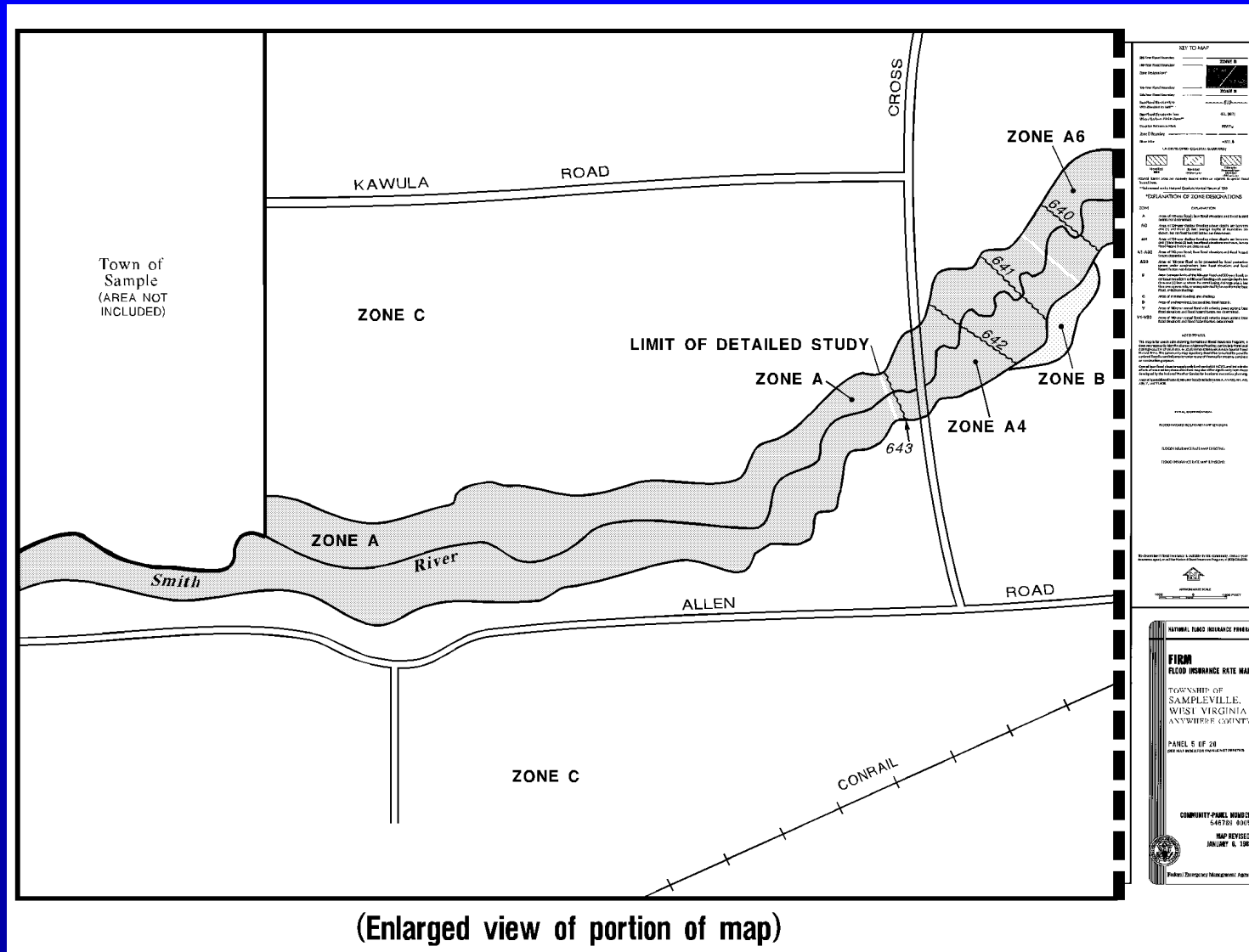
NFIP Overview



Elevation requirements for residential structures



Flood Insurance Rate Map





Project Impact

Building Disaster Resistant Communities

- FEMA's top priority
- Designed to break the disaster-rebuild-disaster cycle
- Helps communities become disaster resistant through:
 - Mitigation
 - Planning
 - Partnership building
- Emphasizes private sector involvement

